MAR 1958 EMORAMBUM FOR: Chief of Neval Personnel Department of the Havy : Letter Report of Fitness of SUBJECT 25X1 25X1 25X1 has been serving under my direct supervision for the past 30 months as Executive Secretary of an inter-Departmental Board of the Mational Security Council, of which I am Chairman. This Board is charged with the establishment of policies governing the coordination of certain specialised intelligence activities of the US Government. 2. In the performance of his duties has continued 25X1 to demonstrate to an exceptional degree perseverance, industry and application to the complex issues before the Board for resolution. To me as Chairman he has rendered most loyal assistance, anticipating in any way possible opportunities for service. As chairman of the Board's executive committee, his poise, outstandingly sound judgment, and exceptional administrative ability have combined to promote the barmonious and timely accomplishment of the tasks referred to that committee. In this capacity he has the utmost confidence of his 2 associates in maserous governmental departments and agencies. 3. I we highly pleased to have 25X1 serving in his present assignment, and comsider him to be a distinct credit to his service. NAVY review(s) completed. tioned . Allen W. Dulles Director MAYPERS-310, Secs. 1 through 11 25X1 CIA/SIS: \_\_\_\_:jak (24 Feb 58) 25X1 Distribution: 0 & 1 - Addressee 2 - DCI (1 for Gen. Erskine, if desired) 1 - D/DCI Approved For Reference 2003/04/24; CIA-RDP80B01676R001200 2002211958 Co.v. L. L.

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Rear Admirel L. H. Prost Director of Reval Intelligence Department of the Havy Westington 25, D. C.

Door Jacks

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Thank you very much for your memorandum of 25 Peteruncy communing Herokent Shipping in the Port of 14 the bean brought to the attention of our people here. I appropriate your promptumes in menting this report to me.

With kindest personal regards,

Simoorely,

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Allen V. Bulles Director

25X1

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DEPARTMENT OF THE PLANY
OFFICE OF THE CITET OF DAVAL OPERATIONS
WASHINGTON 28, D. C.

11:08 AM

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20167 (5)8

SECRET

From: Director of Naval Intelligence To: Director of Central Intelligence

Subj: Morehant Shipping in the Port of Amoy, China

- 1. At the IAC meeting on 19 February 1958 the subject of merchant shipping into the port of Amoy arose during a discussion of sensitive situations in the Far East. This letter is in response to your request for information on this subject.
- 2. Because of the proximity of Amoy to Chinece Nationalist share batteries on Quency, the port has been generally avoided by merchent ships. ONI records show that for the fifteen month period between June 1956 and August 1957 there was a total of only six arrivals at Aroy. These errivals were made by two British ships, the WRITE BEE (1288 GRT) and the KING BUE (1089 GRT). Both were fired on by the Nationalists on several occasions.
- 3. Since the last firing incident in July 1957, the Chinese Nationalists have adopted a policy of not molesting foreign ships entering and leaving Amoy, resulting in a marked increase in traffic. Three British ships (ROZELLE BUEZE, TWEED BREEZE, and YARRA BREEZE, owned by John Manners and Company, Ltd., Hong Kong) now operate regular, but unscheduled runs between Hong Kong and Amoy. During November 1957 these ships made a total of four arrivals and in December a total of five arrivals. However, only one ship is known to have called in January and one in February. The three British ships are the only non-Communist ships using the port. The Chinese Communists opened the port to the Japanese on 15 February but no Japanese ships have yet arrived. No Soviet or European satellite ships have called at Amoy during the past several years.
- 4. Mationalist shore batteries have prevented Chinese Communist ships of any size from using Amoy; only a few small wooden ships and junks have been calling at the port.
- 5. Cargo information is limited but imports seem to be primarily fertilizer, foodstuffs, and small quantities of steel and other general cargo via junks; the only exports known are soft-wood and bamboo from the Yingtan area inland, and canned foods.
- 6. British-flag ships operating from Hong Kong should be able to handle the current limited seaborne commerce needs of Amoy as long as the Nationalists allow them to enter unmolested. For this reason it is unlikely that the Chinese Communists will attempt to increase the number of their own ships using the port and in so doing subject this shipping to Nationalist gunfire.

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7. In surmary, the amount of shipping using the port of Amoy is relatively insignificant. However, even the small amount engaged in this trade is a continuous potential source of friction because of the concentration of Nationalist and Communist military forces facing each other in close preximity to the port and its approaches.

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## CENTRAL INTELLIGENCE AGENCY WASHINGTON, D. C.

OFFICE OF THE DIRECTOR

**ILLEGIB** 

| 25X1 | Rear Admira L. H. Fros                       |
|------|--|
|      | Department of the Navy                       |
|      | Office of the Chief of Naval Operations      |
|      | Washington 25, D. F.                         |
|      | Davis Taalaa                                 |
|      | Dear Jack:                                   |
|      | Thank you very much for your Memorandum      |
|      | of 26 February concerning Merchant Shipping  |
|      | in the Port of which I am bringing           |
|      | to the attention of our people here.         |
|      | Your promptness in sending this report to me |
|      | is indeed appreciated.                       |
|      |  |
|      | With kindest personal\regards.               |
|      |  |
|      | Sincerely,                                   |
|      |  |
|      | <i>[</i>                                     |
|      |  |
|      | ,  |

Allen W. Dulles Director

(1.00)

MEMORANDUM FOR: MR. DULLES

A copy of this memorandum has been

sent to DD/P and DD/I.

AAB

28 Feb 58 (DATE)

FORM NO. 101 REPLACES FORM 10-101 AUG 54 WHICH MAY BE USED.

(47)